

FISCAL NOTE

HB 315 - SB 720

February 16, 2007

SUMMARY OF BILL: Requires a health insurance entity to reimburse a health care provider as an in-network provider for health care services if a Council on Affordable Quality Healthcare (CAQH) credentialing application is submitted but is not processed and completed within 45 calendar days after receipt of the application. The state group insurance program, the local government health insurance plans and the TennCare program are exempted from the provisions of the bill.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

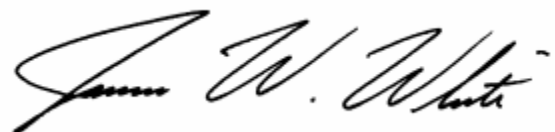
Potential Impact on Health Insurance premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation will increase premiums because health insurance plans will have to pay providers in-network rates even if the health insurance entity is not a participating organization of the Council on Affordable Quality Healthcare (CAQH). Such is estimated to exceed \$100,000.

Assumption:

- The Department of Commerce and Insurance currently monitors timely filing provisions and reimbursements for commercial health insurance claims. Any increase could be absorbed within existing resources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director